

Minutes of the Finance Committee Meeting

The Finance Committee of the McLean County Board met on Tuesday, December 3, 2002 at 5:30 p.m. in Room 700 of the McLean County Law and Justice Center, 104 West Front Street, Bloomington, Illinois.

Members Present: Chairman Sorensen, Members Kinzinger, Berglund, Selzer, Nuckolls, Moss

Members Absent: None

Other Members Present Member Renner

Staff Present: Mr. John M. Zeunik, County Administrator; Ms. Lucretia Wherry, County Administrator's Office

Elected Officials/

Department Heads: Mr. James Boylan, County Treasurer; Ms. Becky McNeil, Assistant County Treasurer; Mr. Don Lee, Director, Nursing Home; Ms. Jackie Dozier, County Auditor; Mr. Walter Hunt, Internal Auditor; Auditor's Office; Mr. Bill Yoder, State's Attorney; Ms. Connie Clifford, Supervisor of Assessments Office; Mr. Phil Dick, Director, Building and Zoning; Mr. Mike Behary, Planner, Building and Zoning

Others Present: Ms. Laura Dick, Director, Show Bus

Chairman Sorensen called the meeting to order at 5:30 p.m.

The minutes of the October 22, 2002, October 15, 2002, October 17, 2002 and November 5, 2002 Finance Committee meetings were accepted and placed on file as presented.

Ms. Jackie Dozier, County Auditor and Mr. Walter Hunt, Internal Auditor, Auditor's Office, presented status report on the progress of the recorder's office in addressing concerns in the Outside Auditor's Management Letter. The Outside Auditor had four concerns regarding the Recorder's Office.

The Outside Auditor's first concern has been addressed. The Commerce Bank account was closed out in June 2002. This means that there is no longer any need to conduct monthly reconciliations between the bank account and the general ledger.

The second recommendation was that adequate computer controls be put in place so the money cannot be misappropriated. A Voided Fees Report is run at the end of the day to indicate if any transactions were voided subsequent to their initial entry. It is reviewed,

but not kept on file with the rest of the end of the day reports.

The third concern raised by the Outside Auditor is that the Revenue Stamp Inventory has not been reconciled to the General Ledger to date. Mr. Hunt indicated that the Auditor's Office has provided the Recorder with a simple format for the reconciliations and provided the Recorder with training. Mr. Hunt advised the Committee that the Recorders Office is not completing the reconciliation of the Revenue Stamp Inventory to the General Ledger.

Mr. Kinzinger asked what action can the Committee take so that this item would not continue to appear on the Management Letter each year. Mr. Kinzinger requested that Ms. Weber appear before the Committee at the January Finance Committee meeting.

Mr. Selzer asked if there is a written procedure that requires the Recorder to perform the reconciliation. Chairman Sorensen replied that it is not mandated that the Recorder has to complete the reconciliation. However, the Outside Audit recommends that the reconciliation be completed. Chairman Sorensen noted that this item has been in the Outside Auditor's Management Letter for the past eight years. Mr. Hunt and the Treasurer's Office have helped the Recorder to put procedures in place. There has been a lot of progress made in the Recorder's Office.

Ms. Becky McNeil, Assistant County Treasurer, stated that the Treasurer's Office does not accept the daily report from the Recorder's Office unless the Revenue Stamp Inventory is balanced. The Revenue Stamp Inventory is completed daily. However, the Recorder's Office is not completing the month-end report. Ms. Weber needs to provide staff with some EXCEL training. The report can be done as a simple EXCEL spreadsheet. Mr. Kinzinger noted that the Recorder is eager to work with the Committee when she is in front of the Committee. The Committee agreed that the Recorder's Office needs to complete the reconciliation and present it to the Finance Committee at the January Finance Committee Meeting.

Mr. Hunt indicated that the Outside Auditor's fourth concern involves segregation of duties. This has been extremely difficult for the Recorder's Office to achieve due to the volume of work current in the Recorder's Office.

Ms. Dozier asked the Committee how Mr. Hunt should continue his work. Mr. Hunt has spent the first year learning the processes in each office. Ms. Dozier asked if the Committee would like frequent updates, or should Mr. Hunt appear as necessary when problems are apparent. Chairman Sorensen requested that Mr. Hunt continue with regular updates until the new Committee is comfortable with their new responsibilities. After that, less frequent updates would be appropriate.

Ms. Jackie Dozier updated the Committee on the transition from AT & T long Distance to

Sprint. Ms. Dozier advised the Committee that the County will be receiving reimbursement for \$32,000.00 plus the 14% for taxes associated with long distances charges.

Mr. Don Lee, Director, McLean County Nursing Home, presented a request for approval of an increase in the private pay rate for Fiscal Year 2003. The private pay rate is calculated by dividing the annual operating budget by the number of projected patient days. During the 2003 budget preparation process, the total number of in patient days was calculated based on an average of 136 residents. Based on current census history, it is more appropriate to reduce the estimate to 134 residents for Fiscal Year 2003.

Mr. Lee recommended that the private pay rate for a bed in the non-Medicare certified section of the McLean County Nursing Home be set at \$112.00 per day effective January 1, 2003. The rate for a bed in the Medicare certified section of the Nursing Home would be set at \$150.00 per day.

Mr. Kinzinger asked if the increase would cause further declines in the census. Mr. Lee replied that the McLean County Nursing home is offers competitive rates. The increase should not affect patient numbers. Mr. Nuckolls asked how many beds are available at the Nursing Home. Mr. Lee responded that there are 150 beds available.

Ms. Berglund stated that the McLean County Nursing Home is the best in the area and should be better promoted. Mr. Selzer suggested a name change to remove the "poor farm" stigmatism.

Motion by Kinzinger/Berglund to recommend approval of an increase in the private pay rate at the Nursing Home for Fiscal Year 2003. Motion carried.

Mr. Lee presented the Monthly and General Nursing Home Report for the Committee's information. Chairman Sorensen stated that the Committee should tour the facility. The Committee agreed to tour the facility once the new Committee is settled in and there is a month with a light agenda. Chairman Sorensen noted that the Nursing Home is funded as an Enterprise Fund, therefore, the Nursing Home's finances are handled a little differently than those of other County departments.

Mr. Phil Dick, Director, Building and Zoning, presented a request for approval of a Motor Vehicle Lease Agreement for Show Bus. The lease agreement is for three years.

Motion by Kinzinger/Nuckolls to recommend approval of a Motor Vehicle Lease Agreement for Show Bus. Motion carried.

Chairman Sorensen advised that the Committee needs to meet in Executive Session to
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discuss specific personnel matters in the State's Attorney's Office.

Motion by Kinzinger/Berglund to go into Executive Session to discuss specific personnel matters in the State's Attorney's Office. Mr. John Zeunik, County Administrator, Mr. Bill Yoder, State's Attorney, and Ms. Lucretia Wherry, Recording Secretary are asked to remain. Motion carried.

The Committee went into Executive Session at 6:02 p.m.

The Committee returned to Open Session at 6:52 p.m.

Motion by Kinzinger/Selzer to recommend the State's Attorney's request as presented and to allow the State's Attorney to fill vacant positions. Motion carried.

Ms. Amy Davis, Public Defender, presented a request to fill a pending vacant position in the Public Defender's Office. This pending vacancy is being created by the new State's Attorney.

Motion by Kinzinger/Selzer to recommend approval of a request to allow the Public Defender, to fill a vacant position in the Public Defender's office. Motion carried.

Sheriff Owens presented a request to fill a vacant position. It was necessary to terminate the employment of a Correctional Officer. Chairman Sorensen noted that the Sheriff has not filled all vacant positions in the office.

Motion by Berglund/Selzer to recommend approval of a request to fill a vacant Correctional Officer position in the Sheriff's Department. Motion carried.

Sheriff Owens stated that a Correctional Sergeant would be retiring prior to the end of the year. Sheriff Owens requested that the Committee hold a Stand-up meeting prior to the County Board to consider a request to fill this vacant position. The Committee agreed to have a Stand-up meeting to entertain the request to hire a vacant Correctional Sergeant position.

Ms. Becky McNeil, County Treasurer, presented the County Treasurer's Investment Report as of November 30, 2002, and the Statement of Revenue, Expenditures and Fund Balance as of November 30, 2002. Ms. McNeil presented a 2002 Balance Sheet Summary of the General Fund unencumbered fund balance with comparative data for fiscal year 2001. This information should provide the Finance Committee with the changes from month to month. Ms. McNeil noted that the fund balance is not just cash in the bank. The fund balance is made up of a large number of receivables.

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Ms. McNeil stated that 96.68% of the 2001 Property Taxes have been collected and remitted to the General Fund. There will be one more small distribution. The County has suffered major reductions in the Retailer's Occupational Sales Tax and the Personal Property Replacement Tax line items.

Mr. Selzer asked what is the difference is between Revenue Sales tax and Sales tax. Ms. McNeil stated that she is not sure the difference. The State was not able to provide her with a list differentiating between the two. Mr. Zeunik stated that the Retailer's Occupational tax has different categories. Mr. Zeunik will provide the Committee members with definitions of the various categories.

Ms. McNeil noted that the General Investment Report summarizes the Certificates of Deposit and bank accounts held by the County. The interest rates are currently fluctuating between 1% and 1.5%. Mr. Selzer asked who decides where the County's money is invested. Mr. Boylan stated that the Treasurer's Office makes this decision.

Ms. McNeil asked the Committee to review the Green Bar Statement of Revenues Expenditures and Fund Balance report, which shows that the General Fund Department expenditures are at 86.6% of the Adopted Budget for Fiscal Year 2002.

Chairman Sorensen requested that the Treasurer's Office prepare the Employee Benefits Report for the January Finance Committee meeting. Ms. McNeil stated that she would prepare the CDAP report as well.

Motion by Selzer/Moss to accept and place on file the County Treasurer's Report, and the County Treasurer's Investment Report for November 30, 2002. Motion carried.

Ms. McNeil presented a Resolution to Authorize the McLean County Board Chairman to execute a Quitclaim Deed to convey the County's Interest or Authorize the cancellation of the appropriate Certificate of purchase in regards to the County's Delinquent Tax Program. Ms. McNeil stated that the delinquent tax sale program is the way that the County recovers property taxes and restores property to a tax paying status. Joseph Meyer and Company handles the tax sale for the County. Seventeen parcels were sold at the sale. The County will collect \$3,876.00. While the sale itself is not profitable, the return on paid property taxes is profitable. The 14 remaining parcels can be sold at any time.

Motion by Moss/Berglund to recommend approval of a Resolution to Authorize the McLean County Board Chairman to execute a Quitclaim Deed to convey the County's Interest or Authorize the cancellation of the appropriate Certificate of purchase in regards to the County's Delinquent Tax Program. Motion carried.

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Ms. Connie Clifford, Supervisor of Assessments Office, discussed the Assessment Status Report. The Board of Review has received 120 complaints. This number is a little lower than expected, however, the City of Bloomington and the Town of Normal have not sent in their books yet. The Board of Review has corrected 18 complaints that were either noticed by staff or the Board of Review.

Ms. Selzer asked if the Board of Review is the process that allows citizens to protest their property assessment. Ms. Clifford stated that once the property values are published, citizens have 30 days to file a complaint.

Ms. Clifford stated that the Equalized Assessed Value for Towanda Township and the City of Bloomington Township would change because there are a number of parcels returning to the City of Bloomington Township.

Chairman Sorensen requested that the Supervisor of Assessor's Office attend the January Finance Committee meeting in order to education the Committee on the Assessment cycle.

The Committee discussed what time to meet for the next year. The Committee agreed to meet at 5:30 p.m. on the first Tuesday of the month unless Ms. Berglund is able to meet earlier in the evening. Ms. Berglund stated that she would know the EDC's schedule by the January Finance Committee meeting.

Chairman Sorensen presented a transfer of funds request and bills, as presented by the County Auditor, for review and approval by the Finance Committee.

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Motion by Kinzinger/Nuckolls to recommend approval of the transfers and bills, as presented by the County Auditor.
Motion carried.

There being nothing further to come before the Committee at this time, Chairman Sorensen adjourned the meeting at 7:31 p.m.

Respectfully submitted,

Ms. Lucretia Wherry
Recording Secretary

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